



# Benton-Carroll-Salem Local School District

*A community is judged by the schools it keeps.*

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May 15, 2017

Good Afternoon and thank you for giving me the opportunity to address a concern that effects every school district with a power plant in their district.

I will first like to give thanks to our Senator Randy Gardner who has been very receptive to our set of challenges here and while I do not believe I can beat him in a pick-up game of basketball, I am going to challenge him to work with us to find a solution to our devaluation issue.

In early March of this year we had board of education members, our superintendent and myself start our day with our local legislators with news of the Governor's proposal that has us going backwards \$652,000 in funding this year. This was a hard pill to swallow from a small rural district in Northwest Ohio. A few hours later we learned that this was only the appetizer of losses headed our way. We learned that the current tax laws of this state allow companies to devalue their electric generation equipment, when they can show accounting losses on their balance sheets. What this will mean to our school district is a \$5.3 million loss.

First Energy representatives visited other local school districts across the state to have them prepare for losses to their revenue, being the home of 1 of 2 Nuclear Power Facilities in the state, this loss will impact our district much greater than your average power plant, as there is more value at these facilities.

I know all of you on this committee have spent countless hours in the communities you represent. I would like you to picture a \$150,000 home within one of your communities in which you represent. Senator Manning, I commend you on the years of service you have dedicated to the students of North Olmstead City Schools. Imagine nearly 5,000 of those \$150,000 homes disappearing from North Olmstead overnight. Senator Hite, even though I am a Cleveland Browns fan, I also commend you on the students you have reached at Findlay High School and I encourage you to imagine 1.5 million of those \$150,000 homes disappearing from your district overnight. This is the situation we face at Benton-Carroll-Salem as we will have 32% of our districts valuation disappear overnight.

The current version of the budget addresses this, to some degree. I am here to say that this will have no impact on my school district as we are a guaranteed school district who will lose \$5.3 million dollars with no additional state aid granted. The Nuclear Facility in our district has made us an anomaly to the formula.

In a separate issue, we will also stand to lose \$652,000 next year, heavily due to the TPP phase out. We will continue to lose \$300,000 additional each year until 2030. This brings the total loss to \$6,000,000 next year and \$300,000 additionally every year after that. This is extremely difficult to sustain on a \$20 million budget.

I come here today to answer any questions you may have and also ask for your support on this issue as we work closely with Senator Gardner to come up with a solution for our school district.

Cajon Keeton  
Treasurer  
Benton-Carroll-Salem Local School District